

MINTUES

Wasatch Mountain Railway Co.

June 12, 1971

2:30 P.M.

Attendance: Lowe Ashton, J.R. Edwards, Ed McLaughlin, Bill Sweeney
Del Wallengren, Dr. R. Raymond Green, Dr. J.D. Boggess,
Wes Budd, C.H. Nielson, Jim Ritchie, Gordon Mendenhall

Presiding; Lowe Ashton

Item # 1 Financial Condition of Company

The bank balance and the ~~XXXXXX~~ attached budget were discussed

The notes receivable amounting to \$11,000.00 are due on June 21, 1971.

Those having notes are: Lowe Ashton \$1500.00

Gordon M \$1500.00

Hubco \$4000.00

Ritchie's \$4000.00

\$11000.00

Insurance: The Continental Insurance Co would insure the company for 17% of the gross sales for the first \$100,000.00 Short Line Underwriters of Los Angeles, of which Gordon Mendenhall is an insurance underwriter, would insure the company for liability with a \$500,000.00 limit - \$10,000.00 deductible. The cost of the premium would be \$7,200.00.

Bill Sweeney made the motion that the company get a policy with Short Line Underwriters of L.A. with \$500,000.00 limit, \$10,000.00 deductible with a premium cost of \$7,200.00. Shared in proportion to amounts invested of original _____ stockholders. Seconded by Dr. Green.

Del Wallengren called a question on the motion and discussed if the policy was the very best available, if everyone had been contacted. The question was brought up concerning the high cost of the deductible. After much discussion the motion passed. Gordon Mendenhall abstained.

Probable money needs:

Discussed memorandum to the Governor: It was decided that Lowe Should contact Glen Hatch and Murray Moller and see if they might be able to accompany Lowe and Bill Sweeney to the meeting.

Item # 3 Letters of disclosure, preparatory steps for going public: This included signing papers which state that the stockholder cannot sell the stock, a financial statment of the company, signing an affidavit ~~that~~ stating that the stockholder is a bona fide resident of the State of Utah, the disclosure statment of the railroad, and signing a ~~form~~ document ~~that~~ that each stockholder owns his stock.??????????

Item # 4 Additional Employees, and their wages : ~~XXXXXXXXXXXX~~ After discussion it was decided to adhere to the pay schedule Lowe had prepared using disccression when needed.

Item # 5

Item # 7

Advertising Report:k Ed reported that a flyer had been printed and was now in the process of being addressed. This was being sent to all L.D.S. Bishops in the area between Nephi and Logan and Tooele and Vernal. They are also going to other interested persons who have requested information. A Brochure is in the making which will give specific information about the Railroad. These will be distributed in Motels, Restaurants and ect. ~~XXXXXXXXXX~~ Gordon Mendenhall mentioned a very well done radio commercial which he heard.

Tentative dates have been set as a press run and a local Chamber of Commerce run. There will also be two more runs which the company will have to stand the expense: The House and Senate Summer Parties.

Item # 8

Al Chapman has been hired to work on the Open Air Cars, the Engine is almost repainted and the Combine Car is in the finishing stages.

UNFINISHED BUSINESS: Jack Boggess - Crane
Ties: Chick check on proper procedure

(Note) Motion made by Bill Sweeney on Insurance was refused by Public Service Commission. Therefore we are still attempting to find total coverage. also our attorneys reminded us that it is illegal to assign any potential debt to our stockholders. Only directors can bind directors, not stockholders.

Since this was the only motion, and it was not valid, we did not bother to make these minutes too professional looking.

Lowe Ashton